

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: May 5, 2010]²

Bill No. and sponsor: S. 2426 (Mr. Sam Brownback of Kansas).

Proponent name,³ location: Payless ShoeSource, Inc., Topeka, KS.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Other footwear for persons other than men or women, with outer soles and uppers of rubber or plastics, the foregoing other than house slippers (provided for in subheading 6402.99.40).

Check one: ☐ Same as that in bill as introduced.
☒ Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The bill covers children's casual athletic-type footwear with outer soles and uppers of rubber or plastics. The external surface of the upper makes up at least 50 percent but not over 90 percent of rubber or plastics, and textile materials may make up a portion of the external surface. The subject footwear may have open toes or heels or may be of the slip-on type. China is the leading import source.

¹ Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor and proponent stated there are more than ten beneficiaries of this bill, including numerous retailers and suppliers.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6402.99.40:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	37.5%	37.5%	37.5%	37.5%	37.5%
Estimated value <i>dutiable</i> imports ^a	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Customs revenue loss ^b	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

a/ Source of estimated dutiable import data: Commission estimates based on trade data provided by the U.S. Department of Commerce and industry representatives.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Payless ShoeSource, Inc. (Proponent) Curtis Sneden, 785-295-6615	1/15/2010	No	No	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	1/15/2010	No	No	No
E. S. Originals, Inc. John Magnus, 202-626-1474	2/23/2010	No	Yes	Yes
Footwear Retailers and Distributors of America Matt Priest, 202-737-5660	1/14/2010	No	No	No
Rubber and Plastic Footwear Manufacturers Assn. Mitchell J. Cooper, 202-331-1858	1/15/2010	No	No	No

Technical comments:⁴

It is suggested that the article description of the proposed heading be amended as shown on page 1, in order to simplify the intended coverage of the temporary provision. If house slippers are excluded and the intended wearers are specified, it is possible to rely on the language of the chapter 64 provision covering the subject footwear to define the scope of the proposed heading.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

111TH CONGRESS
1ST SESSION

S. 2426

To suspend temporarily the duty on certain children's footwear.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. BROWNBACK introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain children's footwear.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN CHILDREN'S FOOTWEAR.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.01.00	Other footwear for persons other than men or women, with outer soles and uppers of rubber or plastic, with open toes or open heels, other than house slippers; footwear of the slip-on type, that is held to the foot without the use of laces or buckles or other fasteners, the foregoing except footwear of subheading 6402.99.20 and except footwear having a foxing or foxing-like band wholly or almost wholly of rubber or plastics applied or molded at the sole and overlapping the upper (provided for in subheading 6402.99.40)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
 2 subsection (a) applies to goods entered, or withdrawn from
 3 warehouse for consumption, on or after the 15th day after
 4 the date of the enactment of this Act.

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